

**CUSTOMER CONTRACT REQUIREMENTS
CUSTOMER CONTRACT 701111-BS**

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. FAR Clauses. The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.

52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2006).
This clause applies only if this contract exceeds \$100,000.

52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)) (Jul 1995).
Buyer may withhold from sums owed Seller the amount of any kickback paid by Seller or its subcontractors at any tier if (a) the Contracting Officer so directs, or (b) the Contracting Officer has offset the amount of such kickback against money owed Buyer under the prime contract. This clause applies only if this contract exceeds \$100,000.

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2007). This clause applies only if this contract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Sep 2005). This clause applies only if this Contract exceeds \$100,000. Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor.

52.204-2 Security Requirements (Aug 1996). Changes clause means the changes clause of this contract. This clause applies only if access to classified material is required.

52.211-5 Material Requirements (Aug 2000). Any notice will be given to Buyer rather than the Contracting Officer.

52.211-15 Defense Priority and Allocation Requirements (Sep 1990). This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records - Negotiation (Jun 1999). This clause applies only if this contract exceeds \$100,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types: (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (Oct 1997). This clause applies except for contracts at or below \$100,000; construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

52.219-8 Utilization of Small Business Concerns (May 2004).

52.219-9 Small Business Subcontracting Plan (Nov 2007). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$550,000 and Seller is not a small business concern.

52.222-1 Notice to Government of Labor Disputes (Feb 1997). Contracting Officer shall mean Buyer.

52.222-20 Walsh-Healy Public Contracts Act (Dec 1996). This clause applies only if this contract exceeds \$10,000.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (Apr 2002).

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006). This clause applies only if this contract exceeds \$100,000.

52.222-36 Affirmative Action for Workers With Disabilities (Jun 1998). This clause applies only if this contract exceeds \$ 10,000.

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006). This clause applies only if this contract exceeds \$25,000.

52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (Aug 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-13 Restrictions on Certain Foreign Purchases (Feb 2006).

52.227-1 Authorization and Consent (Jul 1995).

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007). A copy of each notice sent to the Government will be sent to Buyer.

52.227-10 Filing of Patent Applications - Classified Subject Matter (Dec 2007).

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (Jan 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is other than a small business firm or nonprofit organization.

52.242-14 Suspension of Work (Apr 1984).

52.242-15 Stop Work Order (Aug 1989). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer.

52.242-15 Stop Work Order (Aug 1989), Alternate I (Apr 1984). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer. In the first sentence of Alternate I, "the Termination clause of this contract" is modified to read "the Termination/Cancellation clause of this contract." .

52.244-5 Competition in Subcontracting (Dec 1996).

52.244-6 Subcontracts for Commercial Items (Dec 2004).

2. DoD FAR Supplement Clauses. DoD Contracts. The following contract clauses are incorporated by reference from the Department of Defense Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (Dec 2004). This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean Government or Buyer. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean Contracting Officer.

252.225-7001 Buy American Act and Balance of Payment Program. (Jun 2005).

252.225-7025 Restriction on Acquisition of Forgings (Jul 2006). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

252.227-7013 Rights in Technical Data - Noncommercial Items (Nov 1995). This clause applies only if the delivery of data is required for noncommercial items under this contract.

252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Jun 1995). This clause applies only if the delivery of noncommercial computer software or noncommercial computer documentation may be originated, developed or delivered under this contract.

252.227-7015 Technical Data - Commercial Items (Nov 1995). This clause applies only if the delivery of data is required for commercial items under this contract.

252.227-7016 Rights in Bid or Proposal Information (Jun 1995).

252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (Jun 1995).

252.227-7019 Validation of Asserted Restrictions - Computer Software (Jun 1995). This clause applies only if computer software may be originated, developed, or delivered under this contract.

252.227-7027 Deferred Ordering of Technical Data or Computer Software (Apr 1988). This clause applies only if technical data or computer software may be generated as part of the performance of this contract.

252.227-7037 Validation of Restrictive Markings on Technical Data (Sep 1999). This clause applies only if the delivery of data is required by this contract.

252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991).

252.231-7000 Supplemental Cost Principles (Dec 1991).

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Nov 2005).

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000). Contracting Officer and, in the first sentence of paragraph (a), Contractor mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

252.249-7002 Notification of Anticipated Contract Terminations or Reduction (Dec 2006). This clause applies only if this contract is \$550,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

3. Commercial Items. If goods or services being procured under this contract are commercial items and Clause H203 is set forth in the purchase order, the foregoing Government clauses in Sections 1 and 2 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:

52.219-8 Utilization of Small Business Concerns (May 2004). This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

52.222-26 Equal Opportunity (Mar 2007).

52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006). This clause applies only if this contract exceeds \$25,000.

52.222-36 Affirmative Action for Workers With Disabilities (Jun 1998). This clause applies only if this contract exceeds \$10,000.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004). This clause applies only if this contract exceeds \$100,000.

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (Feb 2006). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

252.225-7014 Preference for Domestic Specialty Metals (June 2005), Alternate I (APR 2003) (DEVIATION) (Jan 2008). See Section 5 for the full-text of the deviation.

252.246-7003 Notification of Potential Safety Issues (Jan 2007). This clause applies only if this subcontract is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies and parts integral to a system. The notification required by paragraph (c) of this clause will be provided to Buyer and to the administrative contracting officer (ACO) and the procuring contracting officer (PCO) if Seller is aware of the ACO and PCO for the prime contract.

252.247-7023 Transportation of Supplies by Sea (May 2002). This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government

without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

4. The following prime contract special provisions apply to this purchase order:

A) Public Release or Dissemination of Information

- (1) There shall be no dissemination or publication, except within and between the Buyer, Seller and any subcontractors, of information developed under this contract or contained in the reports to be furnished pursuant to this contract without prior written approval of the Government's Technical Information Officer. All technical reports will be given proper review by appropriate authority to determine which Distribution Statement is to be applied prior to the initial distribution of these reports by Seller. Papers resulting from unclassified contracted fundamental research are exempt from prepublication controls and this review requirement, pursuant to DoD Instruction 5230.27 dated October 6, 1987.
- (2) When submitting material for written approval for open publication as described in subparagraph (1) above, Seller shall request instruction on how to make such submissions from Buyer.

B) Export Control – Should this project develop beyond fundamental research (basic and applied research ordinarily published and shared broadly within the scientific community) with military or dual-use applications the following apply:

- (1) The Contractor (Subcontractor) shall comply with all U.S. export control laws and regulations, including the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through 130, and the Export Administration Regulations (EAR), 15 CFR Parts 730 through 799, in the performance of this contract. In the absence of available license exemptions/exceptions, the Contractor shall be responsible for obtaining the appropriate licenses or other approvals, if required, for exports of (including deemed exports) hardware, technical data, and software, or for the provision of technical assistance.
- (2) The Contractor (Subcontractor) shall be responsible for obtaining export licenses, if required, before utilizing foreign persons in the performance of this contract, including instances where the work is to be performed on-site at any Government installation (whether in or outside the United States), where the foreign person will have access to export-controlled technical data or software.
- (3) The Contractor (Subcontractor) shall be responsible for all regulatory record keeping requirements associated with the use of licenses and license exemptions/exceptions.
- (4) The Contractor (Subcontractor) shall be responsible for ensuring that the provisions of this clause apply to its subcontractors.

C) Export – Information disclosed hereunder may contain technical data subject to the laws and regulations of the United States pertaining to export control. Therefore, Seller agrees to comply with all the applicable requirements of said laws and regulations of the United States including, but not limited to, the International Traffic

in Arms Regulations (ITAR), the Export Administration Regulations (EAR) and the Office of Foreign Assets Control (OFAC).

D) Disclosure – Seller agrees that it will not publicize this Order or disclose, confirm, or deny any details to third parties, or use Buyer's or Buyer's customer's name(s) in connection with Seller's sales promotion or publicity without prior written approval from Buyer.

E) Subcontracts

- (1) Seller agrees that no subcontract placed under this Order shall provide for payment on a cost-plus-a-percentage-of-cost basis.
- (2) Buyer may in its discretion, specially approve in writing any of the provision of a subcontract. However, such approval shall not be construed to constitute an approval of more than the specific provisions referred to or a determination of the allowability of such cost under this Order, unless the approval specifically provides that it constitutes a determination of the allowability of such cost.
- (3) Seller shall give Buyer immediate notice in writing of any action or suit filed and prompt notice of any claim made against Seller by any subcontractor or vendor which, in the opinion of the Seller, may result in litigation related in any way to this Order with respect to which Seller may be entitled to reimbursement from Buyer.
- (4) Seller shall (1) insert in each price redetermination or incentive price revision subcontract hereunder the substance of the "Limitation of Payments" provision prescribed by FAR 16.2000 et. Seq. and FAR 16.4000 et. Seq., respectively, modified to omit mention of the U.S. Government and reflect the position of Seller as purchaser, and of the subcontractor as vendor, and to omit the provisions relating to tax credits, and (2) include in each cost-reimbursement type subcontract hereunder a requirement that each price redetermination and incentive price revision subcontract will contain the substance of the "Limitation of Payments" provision, modified as outlined in (1) above.
- (5) To facilitate small business participation in subcontracting under this order, Seller agrees to offer progress payments on the fixed-price types of subcontracts of those subcontractors which are small business concerns, in conformity with the standards for customary progress payments stated in Part 32.5 of the Federal Acquisition Regulation. Seller further agrees that the need for such progress payments will not be considered as a handicap or adverse factor in the award of subcontracts.